

Beacon Online Transactions

Read the whole of this document – thoroughly.

What is it?

Beacon has the capability to allow Members to use PayPal's Services to make payments to a U3A for new membership and renewal fees using either a credit or debit card or a PayPal account.

How does it work?

A PayPal account is a merchant account (not the same as a bank account) but Beacon's financial module treats it similarly to other bank accounts. On-line payment is accessed from a U3A's website, either via the Members Portal (for renewals) or a 'Join Here' (or similar link) for new memberships. When a payment is required, Beacon transfers the Member to the PayPal website where the payment is made. When the transaction is complete, PayPal advises Beacon directly so that it can register the payment as having been made. PayPal also notifies both the Member (customer) and the U3A (merchant) that the transaction has taken place. However, PayPal does not pass any financial or bank details to Beacon, thus ensuring financial security for the user. PayPal charges U3As a commission for each transaction; there is no standing charge. The commission comprises a fixed amount per transaction plus a percentage of the transaction amount. U3As that are registered charities are eligible for PayPal's charity tariff, which reduces commission by more than half.

What is required?

Preparing for On-line payment is a three-step process:

1. Set up a PayPal account.
2. Set up Beacon for On-line transactions.
3. Test that it works before going 'live'.

Setting up a PayPal Account.

Warning: Setting up a PayPal account is best done by the Treasurer after consultation with the other U3A Trustees. This is because a PayPal account can make payments (not through Beacon) as well as receive subscriptions etc. Normally a U3A bank account would require two signatures for transactions to protect against unauthorised expenditure. PayPal cannot do this so the **U3A's Trustees (committee members) need to be aware** that the potential for unauthorised expenditure exists – and that the U3A PayPal account won't have a transaction limit! Were such an occurrence to go undetected for any length of time, it would be very difficult to undo. Fortunately, PayPal does provide means of accessing the U3A transaction record and also emails out a monthly statement. It is recommended that this should go directly to a second committee member, i.e. NOT the named account holder, thus providing a degree of transparency.

A PayPal Business account should be set up together with a facility to transfer money directly from PayPal to the U3A's ordinary bank account. Responsibility for setting up and operating a PayPal account rests solely with the U3A. Setting up a PayPal Account should be quick and simple. Unfortunately, it is neither.

Creating a PayPal account is another 3-step process:

1. Apply for the account and confirm your email address.
2. Confirm your U3A bank details.
3. Confirm that you are a Charity.

Step 1. First you must create an email address that you want to be associated with the account. It should be a non-personal address that will not change when U3A officers change, e.g. payments@XXXXXXXXu3a.org.uk PayPal will always use this address to communicate with you. It is sometimes called the Account Reference.

Then you should create a PayPal business account here: <http://www.paypal.com/uk> Select Business, then Payments Standard (£0/month).

The email address you enter at the next screen is the one you've previously created. PayPal will test that the email you have provided is genuine. If not, you don't get an account.

Step 2. By registering your U3A bank account with PayPal, you can initiate direct transfers of money from PayPal to your U3A bank. This is done from your PayPal account control panel under the Money menu. You should always withdraw at least £50 at a time. If you withdraw less than this, PayPal will make a withdrawal charge. It can take up to 7 days for money to be transferred from your PayPal account to your U3A bank account.

(Note: you do not have to register a card – another option – to do this).

Step 3. If your U3A has charitable status, apply for the charity rate as soon as your account is set up at www.paypal.com/charities See box.

PayPal Hints and Tips:

Configuring your PayPal account can be a time-consuming task: collecting the necessary information, working out what to do and waiting for PayPal to respond.

The PayPal website can be a bit of a maze, with lots of loops that bring you back to the same place; but persevere.

Whoever sets up the account (Treasurer, advised) needs to provide a lot of details about who you are, your organisation, U3A banking details and an email address dedicated to receiving money (perhaps along the lines of: payments@XXXXXXXXu3a.org.uk).

Then PayPal does a test transaction by crediting £0.01 to your account. When you've acknowledged that, you are given a basic trading account with a transaction limit. You have to upload more credentials to PayPal in order to unlock that limit – some Users have had difficulty with this bit of their website and a response may take some weeks. PayPal takes a cut (transaction fee) of every transaction but you can get a reduced rate if your U3A has charitable status. But..... you must prove that you are a charity. You need a pdf copy of your Charity Commission Registration Certificate which you can download from the Charity Commission website (your Treasurer or Secretary will know how to access it). Then you must upload this to PayPal by the same 'clunky' process. Eventually, you will get an email from PayPal acknowledging that you will be treated as a charity. Your experience may differ, and some U3A's claim to have managed this step more easily by phone.

Setting up Beacon for On-line Payments.

Beacon only requires the account reference, i.e. the PayPal Account email, to allow a member to make a payment to PayPal; no password is required. Beacon cannot access the account details or withdraw money. You must NEVER pass any account details except the account reference (email) to anyone involved in the support of Beacon or the Third Age Trust.

In System Settings, enter your PayPal account and a PayPal cancel return address.

PayPal account e-mail	<input type="text" value="payments@XXXXXXXXu3a.org.uk"/> <small>The site configuration must be set up for PayPal operation</small>
PayPal cancel return URL	<input type="text" value="http://www.myu3awebsite.org.uk"/> <small>Typically your U3A home page</small>

PayPal must also be enabled in your Beacon's (hidden) master configuration. You may not be aware whether or not this has been done and there is no obvious way to check until you try to use it (see Testing). If you get taken to a screen that says 'Sandbox' or similar, your Beacon has not been configured for PayPal. Please contact Beacon Support migration@u3abeacon.org.uk and ask for a SuperUser to enable your PayPal function.

Testing.

It's useful and reassuring to test that your new On-line payment system works correctly before allowing U3A Members use it. This procedure checks the Membership Renewal function to ensure that the setting up of both PayPal and Beacon have been done successfully. It uses real money and costs £1.00.

The first step is to set up a dummy Membership Class and a dummy Member. Once these have been created, they can be used for testing all sorts of Beacon functions.

Let's call the dummy membership class 'System Tester' with a membership fee of £1.00.

Membership Classes		
Membership Class	Fee	Explanation
Associate	£ 8.50	Full member of another U3A
Honorary		Awarded for services to our U3A
Individual	£ 12.00	Normal Membership
System Tester	£ 1.00	System Testing Only

Now let's create a unisex dummy Member. Let's call it 'Mx System Tester. It will need your real email address and physical address. Save the record.

Member Record	
Member	< Tester, System Dummy > Member No 999 Current
Joined	16/03/2017 Next renewal 01/10/2017 updated automatically upon renewal, Last payment Cash
Name	Title Mx Forenames System Surname Tester
	Known as System Dummy Suffix Initials S <input type="radio"/> Male <input type="radio"/> Female <input checked="" type="radio"/> Unknown
Mobile	E-mail beaconadmin@XXXXXXXXu3a.org.uk Send
Class	System Tester Affiliation Gift Aid from Cancel
Emergency contact	

Change the status to 'Lapsed' and Next renewal to yesterday's date. Save the record. You are now ready to test.

Go to the U3A's website and Login to the Members Portal using Mx System Tester's details. You are then invited to renew membership.

i If you wish to change your class of membership, you cannot renew on-line.
Please contact the membership secretary

Payment

Your membership class is System Tester

Renewal fee £ 1.00

Tick if you pay UK tax and wish U3A to claim Gift Aid on your subscription (if applicable)

Amount to pay: £ 1.00

Press the button below to proceed to PayPal to make payment
You may pay by credit or debit card or use a PayPal account

Make Payment

After payment, you should receive an e-mail from PayPal as a receipt and an e-mail from U3A to confirm renewal
Problems?: or contact the Membership Secretary

Do NOT tick the Gift Aid box (Mx System Tester cannot pay UK Tax). Click to make payment from your personal PayPal account, credit or debit card.

Now check the following:

- You should receive two confirmatory emails: one from PayPal (to Customer) to your personal mailbox and one from Beacon.
- There will be a further email from PayPal (to Merchant), the U3A PayPal account holder (Treasurer?), and the fee of £1.00 minus PayPal Commission should arrive in the U3A's PayPal Account.
- Mx System Tester's membership record has been updated showing that the status is Current and Next Renewal Date has also changed.

If these have all happened, then the PayPal and Beacon setups have been correctly configured and the system is ready for live On-line Payments.

Do not forget to change the Status of Mx System Tester back to 'Lapsed' to prevent the U3A's Membership Statistics being skewed. Mx System Tester can be used again and again for many different purposes.

Finally, do not forget to claim your £1.00 back from the Treasurer!

Andy Topp
28 July 2017

Disclaimer. Certain statements about PayPal are based on the author's experience and do not necessarily reflect the views of the Beacon Team or the Third Age Trust.